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## MilCon/VA Subcommittee Approves FY2010 Spending Bill

*Washington, DC*—Today, U.S. Senator Tim Johnson (D-SD) applauded the Senate Military Construction, Veterans Affairs (VA) and Related Agencies Appropriations Subcommittee's approval of the FY2010 funding levels.

Johnson, Chairman of the subcommittee, announced more than \$133.9 billion in total funding, including more than \$76.7 billion in discretionary funding. That is \$439 million over the President's budget request in discretionary funding, and includes \$23.2 billion for military construction and \$53 billion in FY10 discretionary funding for the VA.

"We have done our best to address both the needs of the military and our veterans in this legislation. I remain committed to keeping our promises to our veterans and honoring them by ensuring they receive the care they deserve and require. I would like to thank all the members of this subcommittee for their help and support in developing this bill, as well as Senator Inouye for his leadership as this bill moves forward," Johnson said.

Johnson placed an emphasis on rural health care for veterans again. Now that his Rural Health Care Initiative has been incorporated into the President's request this year, Johnson has included additional funding for a Rural Clinic Initiative.

Subcommittee passage clears the way for the bill to be considered by the full Committee later this week. A summary of the bill follows:

# SUMMARY SENATE MILITARY CONSTRUCTION, VETERANS AFFAIRS AND RELATED AGENCIES FY 2010 APPROPRIATIONS BILL (Subcommittee Mark)

#### Overview

Total funding for Military Construction, Veterans Affairs and Related Agencies is \$133.927 billion, including \$76.7 billion in discretionary funding, \$1.4 billion in Overseas Contingency Operations, and \$55.8 billion in mandatory funding.

Discretionary funding is \$439.1 million over the President's budget request.

The bill provides \$23.2 billion for military construction and family housing, \$286 million over the budget request; \$53.2 billion in discretionary funding for the Department of Veterans Affairs, an increase of \$150 million over the budget request; and \$279 million for related agencies, a \$3 million increase over the request. The bill also provides \$1.4 billion to fund Overseas Contingency Operations in Afghanistan.

#### **Major Policy Items**

For the first time, the bill includes advance appropriations to fund three key medical programs for the Department of Veterans Affairs – Medical Services, Medical Support and Compliance, and Medical Facilities -- totaling \$48.2 billion for fiscal year 2011. This funding will ensure a stable and uninterrupted source of funding for medical care for veterans. This funding is provided in Title V of the bill.

#### <u>Title I – Military Construction and Family Housing</u>

The bill provides \$23.2 billion for military construction and family housing, \$286 million over the budget request.

#### **Highlights**

Homeowners Assistance Program (HAP): \$373 million, \$350 million above the President's request, to complete the funding requirement for the expansion of the HAP mortgage relief program to military families required to relocate, including wounded warriors and surviving spouses of fallen warriors, who have suffered losses on home sales due to the mortgage crisis.

*Energy Conservation Investment Program (ECIP):* \$225 million, \$135 million above the President's request, to enhance energy security at U.S. military installations and promote energy conservation and efficiency, including investments in renewable and alternative energy resources

Active and reserve component military construction: \$12.6 billion to fund military construction projects worldwide, including operational, training, and research facilities, readiness centers, barracks, schools, hospitals, and clinics. The recommendation is \$264.2 million over the President's request for Guard and reserve facilities.

**Family Housing**: \$2 billion as requested for family housing construction and privatization projects. The 2010 budget request for family housing is \$1.5 billion below the fiscal year 2009 enacted level, due to the nearing completion of the privatization effort and subsequent reductions in operating expenses.

**Base Realignment and Closure (BRAC):** \$7.5 billion for BRAC 2005 as requested, and \$421.8 million for BRAC 1990, \$25 million above the request. The BRAC 2005 request is \$1.3 billion below the fiscal year 2009 enacted level, reflecting reduced construction requirements.

*NATO Security Investment Program (NSIP):* \$276.3 million as requested to fund the U.S. share of joint U.S.-NATO military facilities.

#### **Title II -- Department of Veterans Affairs**

The bill provides \$53.2 billion in discretionary funding, \$150 million over the President's request, and \$55.8 billion in mandatory funding, equal to the request. Total funding for the Medical Care accounts for fiscal year 2010 is \$44.7 billion, which includes a \$3.7 billion increase over the fiscal year 2009 enacted level for the Medical Services account.

#### **Highlights**

**Rural Health:** Building on the Committee's 2009 Rural Health Initiative, the bill includes \$250 million to continue the initiative, providing a total of \$440 million in 2010 for medical care for veterans in rural and highly rural areas, including Native American populations.

**Rural Clinic Initiative:** The bill provides an additional \$50 million in medical services to establish Community Based Outpatient Clinics (CBOCs) in rural areas that are currently underserved by VA health care facilities.

*Operation Enduring Freedom and Iraq Freedom (OEF/OIF) Veterans:* \$2.1 billion as requested to meet the health care needs of veterans who have served in Iraq and Afghanistan, a \$463 million increase over last year. The VA estimates that the number of OEF/OIF veterans in its health care system will reach 419,000 in 2010, a 61% increase since 2008. This funding includes research and treatment programs for mental health issues, including Traumatic Brain Injury (TBI) and Post-Traumatic Stress Disorder (PTSD).

*Medical and Prosthetic Research*: \$580 million as requested, an increase of \$70 million over the 2009 funding level, for research in a number of areas, including mental health, TBI, spinal cord injury, burn injury, polytrauma injuries, and sensory loss.

Women Veterans Programs: \$183 million as requested to meet the unique needs of women veterans.

**Long Term Care:** \$5.9 billion for long term care for the Nation's aging veterans as well as severely wounded combat veterans from the wars in Iraq and Afghanistan. The funding includes both institutional and home based care programs. The bill provides \$115 million for grants for the construction of State extended care facilities, \$30 million over the budget request.

Homeless Veterans Programs: \$3.2 billion for health care and support services for homeless veterans. This includes \$500 million in direct programs to assist homeless veterans, which

include: \$26 million devoted to a new initiative to combat homelessness through a collaborative pilot program with non-profits and other Federal Agencies;\$172 million for the Homeless Grant Per Diem Program and Program Liaisons; and, \$75 million for the HUD/VASH program.

**Newly Qualified Veterans:** \$533 million to expand eligibility for VA health care to non-service-disabled veterans earning modest incomes (Priority 8 veterans). The VA estimates that an additional 266,000 veterans will enroll in the health care system due to the change in policy for Priority 8 veterans.

*Medical Facilities Infrastructure:* \$1.3 billion (\$300 million above the President's request) for the VA to address critical non-recurring maintenance and the backlog of code violations at existing VA hospitals and clinics. Additionally, \$1.9 billion is provided for the construction of VA hospitals and clinics. The bill also includes \$685 million for minor construction projects (\$85 million above the President's budget request) for construction at existing VA medical facilities

**Information Technology (IT):** \$3.3 billion for IT projects to develop electronic health care records, paperless claims systems, and seamless integration of medical and service records with the Department of Defense.

*Claims Processing:* The bill provides the VBA with the resources to hire 1,200 new claims processors in fiscal year 2010. This will bring the Compensation and Pensions workforce level to 14,549 in 2010 as compared to 7,550 in 2005.

Office of Inspector General (IG): The bill includes \$109 million for the IG's office. This is \$2 million over the President's request and \$20 million over the fiscal year 2009 enacted level. In response to recent reports involving patient safety and improper cleaning of medical equipment, the report includes language directing the IG to undertake a comprehensive review of the VA's quality assurance programs. The additional funding will allow the IG's office to provide increased oversight of VBA regional offices by evaluating disability compensation claims. These audits and reviews are critical as the VA expects claims to rise to almost 1 million in fiscal year 2010.

#### <u>Title III – Related Agencies</u>

The bill provides a total of \$279 million for related agencies. This includes \$80.6 million for the American Battle Monuments Commission; \$27.1 million for the U.S. Court of Appeals for Veterans Claims; \$37.2 million for Arlington National Cemetery; and \$134 million for the Armed Forces Retirement Home.

#### **Title IV: Overseas Contingency Operations**

The bill provides \$1.4 billion to fund military construction projects in Afghanistan to support the realignment of U.S. forces into and within Afghanistan.

### **Title V: Advance Appropriations**

The bill includes advance funding for three VA medical accounts. The recommendation includes \$37.14 billion for Medical Services, \$5.31 billion for Medical Support and Compliance, and \$5.74 billion for Medical Facilities. The advance funding would become available on October 1, 2010.

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